

shall be disbursed upon the order of the Director. For purposes of Federal income, estate and gift taxes, all gifts, bequests, and devices accepted by the Director shall be deemed to be to or for the use of the United States.

"(g) Grant such monetary or other relief as the Director in his sole and unreviewable discretion deems appropriate whenever an employee or former employee of the Agency is found by the Director to have suffered unjustified negative career development or an unjustified personnel or administrative action."

Sec. 403. (a) Chapter 4, title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 140a. Foreign cryptologic support.

"Funds made available to the Department of Defense for intelligence and communications purposes may be used to pay expenses of arrangements with foreign countries for cryptologic support. Such funds may be exchanged without regard to the prohibition contained in section 3651 of the Revised Statutes (31 U.S.C. 543)."

(b) The table of sections at the beginning of chapter 4 of such title is amended by adding at the end thereof the following new item:

"140a. Foreign cryptologic support."

Sec. 404. (a) The Act of May 29, 1959 (73 Stat. 63) is amended by adding at the end thereof the following new sections:

"Sec. 9. (a) Funds of the National Security Agency may be used, with respect to a special limited class of its civilian and military personnel assigned outside the United States, to provide allowances and other benefits comparable to those authorized for officers and employees of the Foreign Service under clauses (1), (2), (7), (9), (10), and (11) of section 911 and sections 912, 914, 933, 941, 942, and 945 of the Foreign Service Act of 1946 (22 U.S.C. 1136 (1), (2), (7), (9), (10), and (11), 1137, 1138a, 1148, 1156, 1157, and 1160)).

"(b) Notwithstanding the provisions of section 322 of the Act of June 30, 1932 (40 U.S.C. 278a), section 2675 of title 10, United States Code, or section 5536 of title 5, United States Code, the Director of the National Security Agency may—

"(1) rent or lease, for periods not exceeding ten years, such buildings and grounds outside the United States as may be necessary for the use of the National Security Agency; and

"(2) use such buildings and grounds to furnish personnel of such agency with living quarters, heat, light, and household equipment, without cost to such personnel, whenever the Director of the National Security Agency determines such action is in the public interest.

The Director of the National Security Agency may exercise the authority provided under this subsection only to the extent that funds have been appropriated for such purpose.

"Sec. 10. (a) In addition to the benefits provided in subsection 4109(a)(2)(B) of title 5, United States Code, the Director of the National Security Agency may provide allowances and other benefits to personnel assigned to training overseas for one year or longer to the same extent and for the same purposes for which such allowances and other benefits are provided employees of an agency under chapter 57 of title 5, United States Code.

"(b) In any case in which an employee of the National Security Agency received payment for training expenses under section 4109(a)(2)(B) of title 5, United States Code, before the date of enactment of this subsection and such payment was subsequently determined to have been improperly made as the result of an erroneous interpretation

of such section, the Director of the National Security Agency may waive the collection of such erroneous payment, except that not more than a total of \$50,000 in erroneous payments may be waived under this subsection."

(b) The amendment made by subsection (a) shall become effective October 1, 1980.

Sec. 405. Section 3 of the Act of June 1, 1948 (40 U.S.C. 318), is amended by inserting "(a)" before "Upon" at the beginning of such section and by adding at the end of such section the following new subsection:

"(b) Upon request of the Director of the National Security Agency, the Administrator of General Services may detail special policemen appointed under the first section of this Act to provide protection for installations and grounds used by or under the control of the National Security Agency without regard to whether the United States has exclusive or concurrent criminal jurisdiction over such installations and grounds. Special policemen detailed to protect such installations or buildings shall have the same powers as special policemen appointed under the first section of this Act. The Administrator of General Services may extend the applicability of any regulation issued under section 2 to installations and grounds described in the first sentence of this subsection and to provide for the appropriate enforcement of such regulation.

Sec. 406. (a) The Director of Central Intelligence and the Director of the National Security Agency are authorized to pay a gratuity to the surviving dependent or dependents of any officer or employee of their respective agencies who dies as a result of injuries (excluding disease) sustained outside the United States. The amount of the gratuity in the case of any such officer or employee shall be an amount equal to one year's compensation at the rate such officer or employee was entitled to receive at the time of death. Such a payment shall be made only upon a determination of the Director of Central Intelligence in the case of an officer or employee of the Central Intelligence Agency, or of the Director of the National Security Agency, that the death of such officer or employee (1) resulted from hostile or terrorist activities, or (2) occurred in connection with an intelligence activity having a substantial element of risk. Any payment made under this subsection shall be considered a gift and shall be in addition to any other benefit payable from any source.

(b) A death gratuity payment made under subsection (a) shall be made to the person or persons within the following classes and in the order named:

(1) To the widow or widower, if living.
(2) If no widow or widower, to the child or children in equal shares, if living.
(3) If no widow, widower, child or children, to the dependent parent or dependent parents in equal shares who last bore that relationship, if living.

(c) As used in this section—

(1) The terms "widow", "widower", "child", and "parent" shall have the same meaning given to such terms by sections 8101 of title 5, United States Code.

(2) The term "United States" means the several States and the District of Columbia.

(d) The provisions of this section shall apply with respect to deaths occurring after June 30, 1974.

Sec. 407. (a) Part III of subtitle A of title 10, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 107.—GRANTING OF ADVANCED DEGREES AT DEPARTMENT OF DEFENSE SCHOOLS

"Sec.

"2151. Defense Intelligence School: degree.

"§ 2151. Defense Intelligence School: degree

"Under regulations prescribed by the Secretary of Defense, the Commandant of the

Defense Intelligence School may, upon recommendation by the faculty of such school, confer the degree of master of science of strategic intelligence upon graduates of the school who have fulfilled the requirements for that degree."

(b) The table of chapters at the beginning of subtitle A and of part III of subtitle A of such title are each amended by adding at the end thereof the following:

"107. Granting of Advanced Degrees
at Department of Defense
Schools ----- 2151."

Sec. 408. A new section, section 407, is added to the Intelligence Authorization Act for Fiscal Year 1981.

"SEC. 407. PRESIDENTIAL FINDINGS AND CONGRESSIONAL OVERSIGHT FOR INTELLIGENCE ACTIVITIES.—(a) No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency for operations in foreign countries, other than activities intended solely for obtaining necessary intelligence, unless and until the President finds that each such operation is important to the national security of the United States. Each such operation shall be considered a significant anticipated intelligence activity for the purposes of subsections (b) through (e) of this section.

"(b) To the extent consistent with all applicable authority and duties, including those conferred by the Constitution upon the executive and legislative branches of the Government, and to the extent consistent with due regard for the protection from unauthorized disclosure of classified information and information relating to intelligence sources and methods, the Director of Central Intelligence and the heads of all departments, agencies, and other entities of the United States involved in intelligence activities shall—

"(1) keep the Select Committee on Intelligence of the Senate and Permanent Select Committee on Intelligence of the House of Representatives (hereinafter in this section referred to as the 'Select Committees') fully and currently informed of all intelligence activities which are the responsibility of, are engaged in by, or are carried out for or on behalf of, any department, agency, or entity of the United States, including any significant anticipated intelligence activity, except that (A) the foregoing provision shall not require approval of the Select Committees as a condition precedent to the initiation of any such anticipated intelligence activity, and (B) if the President determines it is essential to limit prior notice to meet extraordinary circumstances affecting vital interests of the United States, such notice shall be limited to the chairman and ranking minority members of the Select Committee, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate;

"(2) furnish any information or material concerning intelligence activities which is in the possession, custody or control of any department, agency, or entity of the United States and which is requested by either of the Select Committees in order to carry out its authorized responsibilities; and

"(3) report in a timely fashion to the Select Committee any illegal intelligence activity or significant intelligence failure and any corrective action that has been taken or is planned to be taken in connection with such illegal activity or failure.

"(c) The President shall fully inform the Select Committee in a timely fashion of intelligence operations in foreign countries other than activities intended solely for obtaining necessary intelligence, for which prior notice was not given under subsection (b) and shall provide a statement of the reasons for not giving prior notice.

"(d) The President and the Select Commit-

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Calendar No. 705

96TH CONGRESS
2d Session

SENATE

REPORT
No. 96-659

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1981 FOR INTELLIGENCE ACTIVITIES OF THE U.S. GOVERNMENT, THE INTELLIGENCE COMMUNITY STAFF, THE CENTRAL INTELLIGENCE AGENCY RE- TIREMENT AND DISABILITY SYSTEM (CIARDS), AND FOR OTHER PURPOSES

APRIL 23 (legislative day, JANUARY 3), 1980.—Ordered to be printed

Mr. INOUE (for Mr. BAYH) from the Select Committee on
Intelligence, submitted the following

REPORT

[To accompany S. 2597]

The Select Committee on Intelligence, having considered the original bill (S. 2597) authorizing appropriations for fiscal year 1981 for intelligence activities of the U.S. Government, the Intelligence Community Staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE OF THE BILL

This bill would for fiscal year 1981:

(1) Authorize appropriations for (a) intelligence activities of the United States, (b) the Intelligence Community Staff, and (c) the CIA Retirement and Disability System;

(2) Authorize the personnel and end-strengths for (a) the Central Intelligence Agency, and (b) the Intelligence Community Staff.

OVERALL SUMMARY OF COMMITTEE ACTION

(In millions)

	Fiscal year 1980	Budget request	Committee recommends	Committee recommended changes
National intelligence.....				
Intelligence community staff.....	\$11.5	\$18.7	\$18.7	
CIARDS.....	51.6	55.3	55.3	
Total.....				

erty on behalf of the Agency whenever he determines that it is in the interest of the United States to do so. Existing statutes do not permit the Central Intelligence Agency to accept such gifts.

Subsection (g) of this section authorizes the Director of the Central Intelligence Agency to grant monetary or other relief whenever the Director determines that an employee's or former employee's career has suffered due to unjustified personnel or administrative action. Existing statutes have been interpreted by the Comptroller General as not permitting the Director to grant such relief.

Sec. 403. *Foreign Cryptologic Support*.—This amendment to chapter 4, title 10, United States Code, authorizes the Department of Defense to use funds authorized and appropriated to the Department to pay expenses of arrangements with foreign countries for cryptologic support.

Prior to FY 1977 the Secretary of Defense used the Emergency and Extraordinary Expenditure authority of the Appropriations Act to cover such payments. In the FY 1977 Appropriations Act the Appropriations Committees removed these funds from the Emergency and Extraordinary Expenditure category and established a new category of foreign cryptologic support. This was done because such funds had been clearly identified and justified to the Appropriations Committees in the budget process and were specifically described in classified annexes to the Committees' reports.

The Senate and House Appropriations Committees recommended in FY 1977, and have continued to recommend, that permanent authorizing language be sought for this category of appropriations. This amendment implements that congressional recommendation and provides permanent authorization for the category of foreign cryptologic support.

Chapter 4 of title 10 deals with the organization of the Department of Defense. Section 140 authorizes emergency and extraordinary expenditures. Two changes are made:

(a) A new section is added, section 140a, Foreign Cryptologic Support, to permanently authorize the Secretary of Defense to expend funds appropriated for intelligence and communications purposes for the purpose of cryptologic support to foreign countries. This section also contains a waiver of the provision of section 23 of the Act of June 3, 1864, as amended (13 Stat. 106, 31 U.S.C. 543) (National Bank Act), which restricts any disbursing office or agent of the U.S. Government from making payments to foreign states in other than U.S. currency. The waiver is identical to that provided to the Department of State and is required to permit the use of foreign currency to fund the conduct of these operations abroad.

(b) The table of sections in chapter 4 is amended by adding a reference to the new section.

Section 140a will not result in appropriations of additional funds above those already requested for FY 1981. This amendment only provides authorization to obligate these funds and complies with the instructions of the two Appropriations Committees. An estimate of the five-year funding impact is being prepared by the Congressional Budget Office. Appropriations data is also provided in the Committee's classified report.

96TH CONGRESS }
2d Session }

HOUSE OF REPRESENTATIVES

REPORT
No. 96-1350

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1981

SEPTEMBER 19, 1980.—Ordered to be printed

Mr. BOLAND, from the committee of conference, submitted the
following

CONFERENCE REPORT

[To accompany S. 2597]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2597) to authorize appropriations for fiscal year 1981 for intelligence activities of the U.S. Government, the Intelligence Community Staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1981".

TITLE I—INTELLIGENCE ACTIVITIES

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1981 for the conduct of the intelligence and intelligence-related activities of the following agencies of the United States Government:

- (1) The Central Intelligence Agency.*
- (2) The Department of Defense.*

of the Central Intelligence Agency Act and new section 1489(b)(2) of title 10, United States Code, is to make clear that when an individual's surviving dependents would, but for the language of these provisions, be eligible for two such lump-sum payments from the Federal Government, that the payment authorized by sections 11(a) or 1489(a) respectively would supersede the other payment if the payment under section 11(a) or 1489(a) is larger, and that it would be the exclusive payment of a lump-sum death gratuity unrelated to Federal retirement, health insurance or other survivor benefits.

**SPECIAL PROVISIONS RELATING TO THE WELFARE OF PERSONNEL OF THE
CENTRAL INTELLIGENCE AGENCY (SEC. 404)**

The Senate bill (Sec. 402) contained a provision authorizing the Director of Central Intelligence to accept gifts, bequests, and property on behalf of the Agency whenever he determines that it is in the interest of the United States to do so. The House amendment contained no similar provision.

The conferees agreed to the Senate provision with minor changes. The conferees agreed further to request periodic reports to the intelligence committees concerning the operation of this section.

AUTHORITY TO REMEDY UNJUSTIFIED PERSONNEL ACTIONS (SEC. 405)

The Senate bill (Sec. 402) contained a provision authorizing the Director of Central Intelligence to grant monetary or other relief to employees or former employees of the Central Intelligence Agency whenever the Director determined that an employee's, or former employee's, career had suffered due to unjustified personnel or administrative action. The House amendment contained no similar provision.

The conferees agreed to the Senate provision with minor changes except that the Director's authority to make findings concerning unjustified personnel actions can be exercised only during fiscal year 1981 and is limited to those cases resulting from allegations concerning the employee's, or former employee's, loyalty to the United States. The conferees wish to emphasize that the enactment of a provision to remedy unjustified personnel actions is not intended to eliminate any cause of action an employee or former employee may have. Appropriate settlements entered into by such employees or former employees in connection with remedial actions taken pursuant to this provision may resolve such causes of action.

**GRANTING OF ADVANCED DEGREES AT DEPARTMENT OF DEFENSE
SCHOOLS (SEC. 406)**

The Senate bill (Sec. 407) contained a provision amending Title 10, United States Code, to authorize the granting of a degree of Master of Science in Strategic Intelligence by the Defense Intelligence School. The House amendment contained no similar provision.

The House agreed to the Senate provision.